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15. Abstract: The war against terror, like most wars that the United States has fought with a coalition, costs more than just the outward cost of paying for the U.S. military. In addition to the huge cost of the U.S. military machine are less obvious expenditures of economic and political capital (often with economic consequences), offered as carrots to entice other countries to support the U.S. led coalition. Although we would like to believe that other countries are fighting alongside the U.S. out of altruism there are substantial numbers of self-interest driven expectations of a quid pro quo from the U.S. as a reward for lending support to the coalition effort. Toward this end, there are multiple economic and diplomatic tools that the U.S. has in its arsenal. Some of these tools are more controversial than others, but all available tools are used and considered as a cost of doing business in fighting a war in the global environment in which we live today. This paper looks at the economic and diplomatic tools with economic consequences that the United States has utilized in building the U.S led coalition in the war against terrorism. This paper addresses the pros and cons of bringing into a coalition states that are unsavory allies that are needed in order to effectively prosecute the current war.			
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Newport, R.I.

OTHER COSTS OF COALITION BUILDING –
HOW TO BUY FRIENDS AND INTIMIDATE (FORMER) ENEMIES

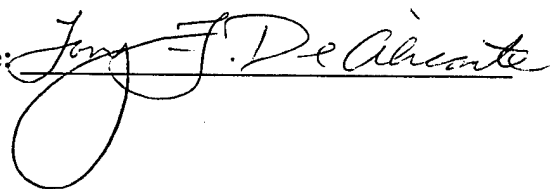
by

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A PAPER SUBMITTED FOR Consideration in the B. Franklin Reinauer II Defense
Economics Prize.

The contents of this paper reflect my own personal views and are not necessarily endorsed
by the Naval War College or the Department of the Navy.

Signature:

A handwritten signature in cursive script, reading "Tony F. De Alicante", written over a horizontal line.

15 May 2002

The anti-terror war is a "campaign" rather than a "war," because military action may not be the most important tool in the effort, which in his view should include action in the diplomatic, economic and intelligence spheres. (Colin Powell, Arms Trade Resource Center, citing September 20, 2001 New York Times article)

OTHER COSTS OF COALITION BUILDING – HOW TO BUY FRIENDS AND INTIMIDATE (FORMER) ENEMIES

Thesis and Introduction

The Department of Defense estimates the monthly cost of the U.S. military's effort in the war against terror since 7 October 2001 at \$1 billion per month. The war against terror, like most (if not all) wars that the United States has fought with a coalition, costs more than just the outward cost of paying for the U.S. military, however. In addition to the huge cost of the U.S. military machine are less obvious expenditures of economic and political capital (often with economic consequences), offered as carrots to entice other countries to support the U.S. led coalition. Although we would like to believe that other countries are fighting alongside the U.S. out of altruism and the belief that it is the right thing to do, the reality is that there are substantial numbers of self-interest driven expectations of a quid pro quo from the U.S. as a reward for lending support to the coalition effort. To a large extent, the U.S. has driven this expectation by its history of assisting its "friends" through the exercise of all of its elements of national power. Toward this end, there are multiple economic and diplomatic tools that the U.S. has in its arsenal. Some of these tools are more controversial than others, but all available tools are used and considered as a cost of doing business in fighting a war in the global environment in which we live today.

Historical Perspective

States have exercised economic, diplomatic, and military influence in coalitions for thousands of years, at least as early as the Delian league when Aegean city-states paid Athens

“tribute” as members of the coalition. Athens in return provided protection against other predator countries and kept the sea-lanes open for trade. Modern coalitions are not exactly like the Delian League, but they still utilize the diplomatic and economic parts of the DIME in exercising the elements of national power.¹ The U.S. provided coalition members with military and economic support in World War II, and recently to participants in the Gulf War. Although economics has often been used as a punitive measure to make the enemy go without resources (imposing blockades, sinking enemy ships and impounding their cargos, initiating trade restrictions, etc.²), the “E” in DIME is being used now more than ever as a carrot rather than a stick. Egypt had the good judgment to join the U.S. led coalition against Iraq in the Gulf war and served an important role in keeping the coalition of Arab states in the U.S. corner. As a thank you, the U.S. Congress rewarded Egypt for its efforts with a huge parting gift of debt forgiveness in the amount of \$5 billion. This type of action by the U.S. sent a clear signal to other countries that the U.S. is in the business of utilizing all of its elements of national power to support its coalition friends. It is no surprise that Egypt is an active participant in the coalition against terrorism.

Worldwide Support

In a perfect world, a full picture of the contributions of the world community to the war against terror would be known. Due to the classified nature of the relationships between the U.S. and some of the support countries in the war against terror, however, it is impossible to publish a complete accounting of the coalition members with this paper. Defense Secretary Donald

¹ What the Delian League got paid was more like protection money, supporting Athens’ maritime force because the members could not afford one on their own. The current coalition, by contrast, has some unwritten “expectation” of reward after the fact, or at least after they have agreed to come on board with the coalition.

² In WWI the Allies blockaded Germany was so effective that all the Germans had to eat were turnips. In WWII, the Allied blockade of Germany was so effective that the Germans looked back fondly on those days when they still had turnips to eat.

Rumsfeld admits “[s]ome have helped openly, others have helped less openly.”³ Even so, some relationships are simply too coincidental to explain in any fashion except as a result of cooperative efforts between the U.S. and that foreign country in the war against terror. Other countries are more obvious participants, as evidenced by Congressional Acts and Presidential Declarations that thank them for their support in the terror war and grant those countries various forms of support as a “thank you” (e.g. Philippines, Australia, Kyrgyzstan, Baltics, UK, Kazakhstan). The meat of this paper, the detail of the “other” costs of supporting the current coalition against terror, is contained in Enclosure 1, which is a chart of known (disclosed) allies who are contributing to the coalition effort, and the known (disclosed) benefits they are receiving from the U.S. through various economic and diplomatic actions. Although I will reference the content in Enclosure 1, this paper is not limited to simply conducting a review of Enclosure 1.

What we can know about coalition contributions is discussed here as part of the necessary and ordinary costs of getting the job done on the battlefield. To provide a broad picture without specifics however, consider that 136 countries have offered some kind of military assistance, 23 countries have agreed to host U.S. forces involved in offensive operations, 23 have granted bed-down and basing rights, 89 countries have granted over-flight authority (28 granting blanket authority), 76 have granted landing rights, more than 200 intelligence and security services have contributed to counter-terrorist operations, and 95 foreign nations have arrested 1600 terrorists and their supporters. Over 200 countries and jurisdictions have expressed their support for the financial war on terror (either lip service or actually freezing funds). Of the 190 countries that have expressed a willingness to do so, 161 countries have issued orders freezing terrorist assets (\$70.5 million, in addition to \$34.2 million frozen by the US), with others requesting U.S. help in

³ Gilmore, Gerry J., Rumsfeld Praises Coalition Contributions In Anti-Terror War, American Forces Press Service, (26 Feb. 2002).

improving their legal and regulatory systems to allow them the capabilities to block terrorist funds.

Add up the total worldwide support from hundreds of countries that potentially have their hands out, and the combination of paying the bill and sorting out of the respective wants and needs of the contributing countries is a daunting task. This war has posed a tremendous opportunity for many not-so-noble states to rise out of the dung heap of countries on the “bad” list to quickly “normalize” relations with the U.S., shedding embargoes and sanctions, and instantly (sometimes literally overnight) emerging as white knights, leaving behind their classification (at least for the time being) as undemocratic, human-rights abusing, narcotics selling, terrorist-breeding countries. Of course the decision is made easier when the President of the United States announces that countries must choose whether they are with the terrorists or with the United States, and if they stand with terrorists they will be punished. In addition, other countries have to see the U.S. somewhat similar to the way a motorist driving a Pinto sees the motorist driving the Rolls Royce that has just run into him – the deep pocket theory immediately comes to mind.

Contrary Views

One argument advanced against selling or granting US arms to less than savory countries is that we don’t know where those arms are going to end up, or how long that new coalition member will remain our friend. A case on point in the current war is the U.S. made rockets in the Taliban’s arsenal to use against U.S. and coalition forces. As some skeptics point out, however, even some of our closest friends sell U.S. arms (or clones developed by reverse-engineering) to countries that we do not want to have our weapons systems. It has been pointed out that Israel sells U.S. weapons to China and other countries that are prohibited from U.S. arms

sales. That argument, however, may actually support the rationale for selling military arms to unsavory allies, when those countries can get the same arms on the market whether we sell them or not. When the U.S. sells the arms, then U.S. companies benefit from the increased business. Of course we have to be concerned about the effect that arms sales will have on cross-border rivalries, but the State Department has been careful about selling arms to both sets of rivals when such a situation exists (e.g. Pakistan and India), in order to not upset the balance of power.

I agree (though not to an extreme) with the viewpoint that to fight terrorism we need to increase foreign aid.⁴ After all, we would rather win other countries to our side rather than have to fight them. If we have to expend some economic or political capital to get to that point, so what? In so doing, we have probably saved American lives and continue to assure peace for our country a little bit at a time as states one by one become new allies. It's difficult at best to set a price on results such as that. Where I draw the line, however, is in sacrificing the military for greatly increased foreign aid. "Aid alone cannot turn these societies around overnight. It can, however, help."⁵ Clearly, foreign aid is not just humanitarian and economic assistance. It also includes foreign military sales and training, and military deployments to foreign countries as needed. When all of the facets of foreign aid are combined (including Defense, Treasury and State contributions), the real amount of foreign aid is greater than critics give the U.S. credit for.

A Changing World

Not long ago, most coalition support came from multilateral organizations such as NATO and the EU. Although more than 40 multilateral groups have expressed their support for the coalition efforts in the current war, the U.S. has entered into more than 40 bilateral agreements for support, thus forging new relationships and placing in the same coalition, countries that may

⁴ Daalder, Ivo H. and Lindsay, James M., *To Fight Terror, Increase Foreign Aid*, Newsday (February 15, 2002).

⁵ Graham, Carol, and O'Hanlon, Michael E., *Bush Points U.S. Aid in the Right Direction*, Los Angeles Times (April 8, 2000).

not have come to the same table in a multilateral setting. The war on terror has thus yielded a bumper crop of support by cultivating both bilateral and multilateral support. While there is a risk that countries may move from the good list back to the bad list, there is also the very real possibility that having been given a special dispensation once, the errant countries may never want to return to their bad habits that led them astray in the first place. With U.S. support (and support from relationships fostered by other coalition member), they may acquire the economic strength, the military training, technology, trade relationships, training, education, legal foundation, and regional and world status that will help them become engaged as members in good standing world community. President Bush stated in October 2001 that “[t]his is not ... just America’s fight. This is the world’s fight. This is civilization’s fight. This is the fight of all who believe in progress and pluralism, tolerance and freedom. We ask every nation to join us.”⁶

A lot of countries took President Bush up on that offer, and while some countries may go back to their old abusive ways, if some of those former rogue states repent from their wicked ways, the risk was worth the taking. With all of the possibilities in the long-term, however, the short-term interests of the U.S. for success in the war against terror are the immediate concern. Even with no guarantee of reforming any unsavory countries, the U.S. need is for broad international support, and it has received it. In this way, the U.S. has a “what’s in it for me” view every bit as much as the countries climbing on board the anti-terror wagon. When it comes time to pay the piper, however, the U.S. has the resources and the diplomatic tools to do it. In a Joint Resolution on 11 September 2001 following the terrorist attacks, Congress committed “to support increased resources in the war to eradicate terrorism.” Not long after, President Bush acknowledged that the war against terror was going to be expensive, but promised that the U.S. was going to pay that price.

⁶ Bush, George W., – *Enduring Alliances in the Face of New Threats*, Department of State (October 12, 2001).

There are lots of multilateral organizations set up for the national security of the various countries, some of which the U.S. is a participant, some in which the US does not take part. The known member states of the coalition against terror, however, reach across all of these multinational arrangements to form a new picture of the world. This picture would be many times more robust if all of the countries supporting the coalition in the war against terror could be known, along with their respective contributions and benefits they receive as a result of being a player. Exhibit 2 is a graphic illustration of known participants in this coalition.

States enticed to join the US-led coalition against terror include those formerly friendly to terrorists (Yemen) that are responding to President Bush's ultimatum. Benefits to these formerly rogue countries are debt relief, participation in treaties, taking states off the "bad" list and placing them on the "good" list (allowing trading between that country and the U.S.), supporting NATO membership, sales of U.S. military goods and technology, logistic and equipment support to foreign forces that are supporting the war effort. Much of this has the added benefit of supporting the U.S. defense industry, which expands its client base and makes greater sales. The more a country buys U.S. military goods, the more they will have to rely on the U.S. for maintenance and upkeep on that military equipment. This will hopefully further the cause of peace between those countries and the U.S., and may also have the spillover effect of strengthening relations between countries not previously allied that have historical bilateral agreements with the U.S., thus finding new common denominators (weapons systems, fighting on same side in terror war, performed exercises or operations together in terror war or at least closely related, some common experience as a breeding ground for cooperation).

Which Countries Are Participating In This Coalition And What Do They Get?

The relationship of some countries that are supporting the U.S. in the war against terror is well known. Seventy-two countries, including the known benefits to each, are named in Exhibit 1. The White House claims, however, more than twice that number is contributing to the coalition effort in some way (see general figures cited above). The majority of countries appear therefore appear to be supporting the U.S. led coalition in a relationship that is remaining classified, either because it is politically untenable for this relationship to be publicly known in their country, or because they may fear becoming a target of terrorism themselves if their true ties with the U.S. were revealed. In fact, I would speculate that some countries have taken positions critical of the U.S. publicly but are supporting the US coalition effort secretly. While countries providing this covert assistance cannot provide troops on the ground, they can provide assistance through intelligence sharing, freezing of financial assets of terrorists, economic aid to Afghanistan, assistance for refugees including providing sanctuary for refugees who have fled Afghanistan, and overflight rights. While these countries may give economic aid (Japan and Australia for example), they may be receiving either tangible or intangible quid pro quos such as military sales, military training, terrorist extermination in their country, treaty benefits, debt relief (giving money today to forgive yesterday's debt), IMET training, and access to U.S. technology.

Available Tools And Influence

As discussed above, economics and diplomacy are both firmly and legitimately a part of the elements of national power (DIME). While some may argue that use of the tools of economics and diplomacy are tantamount to bribes or blackmail for coalition cooperation, I posit that their use is really just a part of the cost of conducting the business of warfare. It is the task

of the U.S. to move countries from a position where it is not in that country's best interest to join the current coalition, to a position where it is in its best interest. What it takes to swing that state from an unfavorable to a favorable position will be different for each state. It may be money, debt relief, arms sales, relationships, or any of a variety of items on a wish list not too big for the U.S. to fill. While not being able to provide each country with the same benefits, the U.S. has to decide at what point a particular contribution by a particular warrants a particular type or amount of economic, military, or diplomatic aid.

Within that arsenal of economic and diplomatic tools are debt forgiveness to foreign states, financial aid grants (no repayment obligation to the receiving country), grants of U.S. military munitions, aid packages for security and humanitarian assistance, military training, International Military and Education Training (IMET) grants, the Military Assistance Program, Foreign Military Construction Projects, Offset programs (direct and indirect⁷) in conjunction with Foreign Military Sales, Foreign military financing program (extending credit to a foreign government for purchases of U.S. munitions), and Military Assistance Program Merger Funds (non-repayable funds used to meet obligations of recipient countries for pmt of FMS/FMCP purchases). On the diplomatic front, countries in the current coalition are seeking normalized relations with the U.S. including favorable treaty status (e.g. treaties for favorable trade or tax benefits), U.S. support for NATO membership, IMF and World Bank loans, improved relationships with other countries with which the U.S. has influence, access to U.S. munitions

⁷ Offsets in defense trade may be required, either allowing the purchasing country to make a part of the product (direct offset), or agreeing to purchase an equivalent amount of other goods from that country (indirect offset). This program encourages foreign countries to partake in defense trade with the U.S. by adding an economic benefit to participating countries. Offsets have historically served important U.S. foreign policy and national security objectives such as increasing industrial capabilities of allied countries, standardizing mil equipment, and modernizing allied forces, but may also hurt U.S. companies by displacing jobs to the foreign state (purchaser) that gets to build a part of the product.

and commercial exports, fighting terrorist in foreign countries with U.S. forces, and training of foreign militaries (with military equipment left behind for continued post-training use).

On the economic end, the DoD, DoS and Treasury all have assets. All state-to-state assistance comes out of the State Department's budget. The State Department International Assistance Programs have been increased for next year by \$1 billion to \$24.3 billion, with \$3.5 billion designated for economic and security assistance, and equipment and training for states on the war's frontline. DOS represents the U.S. in 180 foreign countries and 43 international organizations, builds and manages the international coalition against terror, and administers some foreign aid programs. It is in charge of all state-to-state agreements and is ultimately the agency responsible for coalition building. DoD has the lead in all military to military actions, including foreign military sales, but it is tightly constrained by Title 10 of the United States Code and by U.S. export regulations. That myriad of rules, regulations, statutes, required reports, procedures, however, open up a lot of options to foreign countries seeking assistance. Treasury has budgeted almost \$1.5 billion for international programs beginning October 1 2002.

Statutory restrictions limit what munitions the US can give, as opposed to sell, as well as how much and to whom. Some of those barriers are being overcome. Creative planners have found legitimate loopholes in the Title 10 restrictions that give some flexibility to military to military provision of munitions. One such method is being used in the Philippines where U.S. military equipment is being used for training, and subsequently left for the use of the host military, equating essentially to a grant of military equipment..

Why Cooperate In a Coalition With The United States?

Participation in the US-led coalition is not in the best interest of some of the current coalition members. In fact it is specifically NOT in the best interest of some countries to

participate with this coalition. The US task is to make it worth the while of the countries that lean against participation and tip the scale such that taking part in something that previously was not in its own interest now IS in the best interest of the participating state. We have to make the benefit worth the risk, both economically and politically, to come on board with us. The outcome may be a higher standard of living for the people of that country through sheer economic aid, through new trading partnerships and status, and partnerships with other international organizations that will help that country economically. Some countries may help out of altruism or because they really believe in the cause. Far more probably act mostly out of self-interest, looking at "what's in it for me." It may in fact be contrary to their interests at the outset to join in any coalition with the U.S. The fact that we may reward or compensate that country in one or more ways is not tantamount to a bribe or an underhanded dealing. It is simply the cost of doing business and we accept it as such. There are countries that may receive aid from us and who cooperate with the U.S. but receive it in a covert manner. They have to because the political consequences would be simply too great for the leadership of that country to manage. But we enter into a relationship with us nonetheless.

In addition to seeking positive opportunities by providing the U.S. with coalition support, countries have incentive to avoid the negative effects of failing to support the war against terror. In retrospect, Jordan suffered tremendously when it refused to take an anti-Iraq posture during the Gulf war. When Iraq was unable to continue resources for Jordan (and the Allied coalition refused to prop up Jordan without its support), Jordan's population went without basic resources for several months. In the current war, Jordan appears to have learned a valuable lesson and is a coalition member, in spite of a very real threat that military action may be taken against Iraq. Sudan, on the other hand, has not joined the coalition. On 31 October 2001, President Bush

signed a “Continuation of Sudan Emergency.” The “emergency” was an embargo begun in 1997 against Sudan because of its human rights violations. It was continued for a year because of its continued support of terrorism and human rights violations. In light of the special dispensations given to other countries with similar records (Pakistan, China), one can’t help but wonder if Sudan would have received a waiver and wiped its slate clean if it had supported the coalition effort.

From a more intangible point of view, a country’s strategy on power influences its decision to join a coalition. States may play to the relative strength of the coalition members, choosing sides according to whether they are stronger or weaker than other coalition members. As a practical matter, no other state is as strong as the U.S., so joining the coalition to gain relative power is not a good tactic. More likely, the coalition members gain some amount of power and influence by bandwagoning behind the U.S. in this coalition, gaining benefit from association with the U.S. and being confident of being on the winning team. As the U.S. has moved away from reliance strictly on multilateral alliances, ad hoc bilateral alliances appear to be coming of age. Although these alliances may not be as strong or as enduring as multilateral alliances, they bring to the table the ability to bring states into the same alliance that may not be there on a multilateral basis (e.g. Pakistan and India).

So What? Justification for Using Resources In Coalition Building

Use of economic and diplomatic tools (with and without economic impact) for coalition building is a good thing. Anytime we can stop warfare and save lives with the use of the economic and diplomatic arms of national influence that is a positive move for the national security for our country. Former enemies (or strategic competitors) may end up on our side. Democracy and economic prosperity may spread to those coalition members. With the right

spillover effects, it could result in better relations among other countries that were in bilateral relationships with the U.S. but not with each other. While we have to maintain the core values of our country, there may be times when we have to exercise the help of unsavory characters. In doing so, however, we don't have to overlook their bad acts. Russia, for example, is our partner in this coalition. Congress recently condemned Russia for its abuses in Chechnya, however, and demanded that Russia change its behavior.⁸ Thus, the bringing on board of a bad actor does not necessarily mean approval of the bad acts. Exercising our country's influence as we are now may ultimately cause the bad persons to have a change of heart and benefit the U.S. in the long run.

In the war against terror, the "end" of building a strong multinational coalition justifies the means. The U.S. does not by itself have all the resources and access (to the sovereign territory of other nations) to fight this war on our own. We need overflight rights through their airspace, military basing rights, and international endorsement to effectively fight the war against terror. With the broad scope of the war on terror, we cannot prosecute this war on our own. To accomplish those things that we cannot accomplish as a sovereign nation, we need the help of other nations.

We need the help of other countries. The support of the international community lends credibility to what the US is doing in the war against terror. It also buys us time and assets we may be short of otherwise. Finally, utilizing a broad supply of coalition members helps us avoid

⁸ The cynic would say that the US is conferring benefits upon Russia and with a wink and a nod explaining that we have to publicly, for political purposes, condemn their human rights abuses and insist they stop, giving them cause to ignore the rhetoric. This may be political sleight of hand working together, similar to other countries outwardly not supporting the coalition, but supporting it in secret. There thus may be a delta between what is being done and what is being said.

fighting on multiple fronts simultaneously when those other states are our allies or strategic partners, rather than our enemies or strategic competitors.

The President and the U.S. population have determined that the benefits of working with a broad coalition are worth the risk. Furthermore, “buying” support with economic and diplomatic elements of national power may actually save lives of our countrymen. Even though we may ultimately have current coalition members use U.S. munitions in unsavory ways, there is a hope of making permanent converts out of some of the former bad guys that have come on board for the war against terror. Finally, building economic relationships with other countries is not only good for the foreign countries, it is good for the U.S. economy as well.

Conclusion

Lincoln P. Bloomfield, Jr., Assistant Secretary for Political-Military Affairs, stated recently “[w]hen one adds the expense of U.S. military operations with its bilateral assistance to countries facilitating the campaign, as well as the commitment made to Afghanistan’s reconstruction, the United States is incurring a very substantial share of the expense in the global campaign against terrorism.”⁹ Mr. Bloomfield could not have been more correct in his assessment of the cost to the U.S. of fighting the war against terror. The cost of a coalition is far greater than just the cost of fighting the war. It includes a multitude of other types of assistance to countries, costing the U.S. both economic and political capital. Paying the piper for such costs, however, has proven to have broad-reaching success in gaining cooperation from other countries that gives the U.S. led coalition a measure of effectiveness not possible without broad global support. Although there are no guarantees, the U.S. can have high hopes that the

⁹ Bloomfield, Lincoln P, Jr., Assistant Secretary for Political-Military Affairs (from *Remarks to the Royal Institute of International Affairs 2002 Defence Conference Chatham House, London, U.K.* (18 February 2002).

expenditures of capital being made throughout this coalition effort, will continue to have lasting positive effects (from the U.S. point of view) on the world community for a very long time.

Contributions to the United States-led Coalition Against Terrorism: 72 Known Coalition Contributors and What the United States is Providing in Returnⁱ

Country	What they are giving	What they are receiving
Afghanistan	New government cooperating with U.S. government.	Ridding country of Taliban and al-Qaeda, supporting new government, \$296M rebuilding support, non-discriminatory trade treatment.
Armenia	Unknown	Presidential waiver of FSA, eligible to receive defense articles/services per FAA and AECA.
Australia	7 personnel at CENTCOM, SOF, C-130s for transport and tactical lift, fighter aircraft for CAP (over U.S. and Diego Garcia), SOF, 2 KC 130s and Ops Group Commander at Manas, 3 ships to AOR (CFMCC) for MIO ops, National Command Element to Kuwait providing C2 for deployed forces.	Unknown
Austria	Contributed unknown number of troops to the GDAD battalion (ISAF).	Unknown
Azerbaijan	Unknown	Presidential waiver of FSA, eligible to receive defense articles and services (FAA/AECA)
Bahrain	1 Naval Liaison rep at NAVCENT, fighters units on continuous strip alert providing defensive CAP for national and coalition forces in Bahrain, 1 frigate and personnel for OEF mission in Persian Gulf, basing and overflight permission for coalition.	Unknown
Baltic States (Estonia, Latvia, Lithuania)	Unknown	\$21M security assistance grant (SAG), \$3M IMET in 2002, \$24.4M SAG, \$3.42M IMET in 2003.
Belgium	Personnel at CENTCOM (4), one officer each to CIC and RAMCC (Deputy Chief of Ops), C-130s with food shipments from Denmark, A-310 Airbus with 250,000 vaccinations for UNICEF, led largest HA mission including Spain, Netherlands and Norway; 4 persons for Noble Eagle support; C-130 and crew for ISAF support.	Unknown
Brazil	Unknown	Sale of LST 1183
Bulgaria	Cooperating with U.S. in a new \$6.8M anti-corruption (Open Government) initiative.	\$22M SAG, \$2.57M IMET/2years
Cambodia	Has offered the coalition use of its airports and ports, if needed.	Unknown
Canada	61 personnel to CENTCOM, land/ naval/air personnel in CENTCOM AOR (3,400), MIO/LIO ops in Persian Gulf (7 ships), strategic and tactical airlift, 828-person TF in Qandahar for security and combat ops (Light Infantry Battle Group); SOF; \$16 million sent, \$100 million pledged for Afghan HA (up from average of \$12 million/year).	Unknown
Chile	Unknown	10 F-16s (\$637 million)

ISAF – International Security Assistance Force in Afghanistan
 AECA - Arms Export Control Act
 RAMCC – Regional Air Movement Control Center
 CFMCC – Combined Forces Maritime Component Commander
 CIMIC – Civilian and Military Co-operation

1

FAA - Foreign Assistance Act
 CIC – Coalition Intelligence Center
 OEF – Operation Enduring Freedom
 ISAF – International Security Assistance Force.
 GDAD - German-Dutch-Austrian-Danish

Enclosure 1

Country	What they are giving	What they are receiving
China	Set up anti-money laundering task force to conduct anti-money laundering ops throughout the Chinese banking system, setting up a system to report suspicious cash transactions, expressed intent to "fully implement the anti-terrorism measures under the relevant Resolutions of the United Nations Security Council."	Unknown
Columbia	Government is supporting anti-terrorism; has taken action against suspected financiers of terrorism; has new proposal for anti-terrorism bill in Congress.	Andean Counterdrug Initiative (\$439M to Columbia of the \$731M budget), USAID assistance, helicopters, \$100M counter-drug ops by U.S., \$98M to protect oil pipeline.
Croatia	Has proposed intelligence sharing, suspect extradition and HA.	Unknown
Czech Republic	3 Personnel at CENTCOM, 251 personnel deployed to Kuwait for training and AOR consequence management support	\$12M SAG, \$1.8M IMET for 2002, \$14M SAG, \$2.05M IMET in 2003
Denmark	5 CENTCOM personnel, 1 C-130 with 77 crew, 4 F-16 aircraft with pilots/support persons, 100 SOF in AOR, food shipments (delivered by Belgium); troops as part of GDAD battalion (ISAF).	Unknown
Egypt	3 personnel at CENTCOM; overflight permission for U.S. and coalition forces; "Cooperating ... in many ways" (Egyptian Minister of Foreign Affairs Ahmed Maher)	Purchasing surface-to-surface missiles (50) and patrol boats (4); \$1.3B military assistance; and \$655M in economic aid.
Finland	3 personnel at CENTCOM (CMO focus to facilitate ISAF, OEF and UN ops in Afghanistan), assistance to HA orgs, 50 coalition CMO officers in Kabul, ratifying 2 UN conventions on terrorism that it previously had not signed; pledged 10 million Euros annually for 3 years, equally split b/w HA/reconstruction; deployed 50 CIMIC troops to Kabul for peace keeping, protecting the interim government and assisting UN personnel.	Unknown
France	15 personnel at CENTCOM, Carrier Battle Group; C-160, C-130s, (2) KC-135s, 6 fighter aircraft; Antlantique aircraft for ISR, engineers to build runways, tent city and munitions storage, airfield security (canine unit), field mess unit, weather bureau, CMO team, infantry company to Mazar-e-Sharif for area security; HA; coalition airlift support; 500 ISAF personnel; air coordinator officers at RAMCC; terrorist arrest in France.	Unknown
Georgia	Not disclosed	\$4M sale of defense articles, military education, defense services, \$12.2M SAG.
Germany	2,560 troops for Enduring Freedom, Fuchs armored recon vehicles to detect nuke/chemical/bio contamination; SOF; 8 ships, 2 helos in Gulf of Aden; 250 personnel in Kuwait for defense exercises; A-310 on alert for Medevac; investigation and arrest of terrorists in Germany, liaison with US intelligence/law enforcement agencies; >500 personnel investigating the 9/11 attacks; hosted UN conference in Bonn establishing Interim	Unknown

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Country	What they are giving	What they are receiving
	Afghan Authority; froze 200 terrorist-connected bank accounts (>\$4 million); set up unit to monitor suspicious financial flows; rebuilding Afghan police forces (training/equipment), 330 GDAD battalion troops with ISAF w/air transport element; employing Afghan widows; pledged \$69.4 million for reconstruction in 2002, \$287 million over the next 4 years; \$46.2 million HA in 2001 and contributed \$1.7 million to the Afghan Interim Authority fund to help establish the new government.	
Greece	3 personnel at CENTCOM, troops in ISAF, Frigate (189 crew with SOF and helicopter) in international naval force in Persian Gulf; Frigate and Counter Mine ship in Eastern Med; offered SHAPE 2 more ships and AF sorties (Active Endeavor); engineering company and 2 C-130 aircraft for tactical airlift for ISAF ops; Greek Naval Base and Souda Bay Airbase used as Forward Logistics site; AF ops officer assigned to RAMCC; one officer to ISAF HQs in Kabul; Foreign Minister strengthening coalition through utilizing Greece's relations in the Mid-East.	Sppt improved relations b/w Greece and Turkey, bilateral trade (\$2 bil), \$1 million 2002 security assistance US investment (1/3 of Greece's total foreign investment); sppt Cyprus entry into the EU.
Hungary	Unknown	\$26M SAG, \$3.85M IMET/2 yrs.
India	Not specified, but there is an element of maintaining military balance in the region by resuming arms sales to India (along with Pakistan).	Export control sanctions waived (imposed after nuclear testing), License exceptions and sale of items not on Commerce Control List allowed, items on CCL considered on case-by-case basis; \$25M economic support, \$50M military aid, total aid exceeding \$151M.
Indonesia	Committed to freeze terrorist funds/assets and work toward domestic legislation to criminalize collecting funds for terrorism, and expand cooperation to combat transnational crimes, piracy, organized crime, and trafficking of persons, narcotics, arms, and narcotics; signed an MOU on Combating International Terrorism, allowing intelligence exchange, law enforcement cooperation, training, and capacity and institution building.	Promised \$700 million in economic aid, including police training and IMET funds, possible embargo lift and resumption of regular military contact.
Israel	Undisclosed	\$2B military aid, \$720M economic aid.
Italy	13 personnel at CENTCOM; C-130 and 707 to Manas; Carrier Battle Group to N. Arabian Sea (relieved by FFG and FFHG); 40 engineers to Bagram; investigation/arrest of terrorists tunneling under US Embassy in Rome; > \$33 million for Afghanistan HA; 350 troops to ISAF and OEF.	Unknown
Japan	Resolved to cooperate fully w/coalition; hosted conference to reconstruct Afghanistan; contributed >\$90 million HA as of February 2002; 7-point package incl. use of Japan's Self Defense Force, expanded security for US forces in Japan, HA to affected countries, support for the world economy, and increased info sharing and immigration control; re-scheduled \$550 million in Pakistani debt.	Unknown
Jordan	2 Reps at CENTCOM; mine clearing unit; 1 planning officer at	Jordan Free Trade Agmt

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Country	What they are giving	What they are receiving
	RAMCC, basing and overflight permission for all US and coalition forces, deployment of Field Hospital (helped 43,317 patients and Airborne Infantry Company to Mazar-e-Sharif; pledged >\$12 million HA to Afghanistan; lip service (tempered by statement of legal restrictions limiting Jordan's ability to act) on freezing of terrorist assets.	implemented, preferred tariff treatment (duty removal) to products grown, manufactured, or produced in Jordan; \$75M SAG, \$1.8M IMET in 2002, \$87.3M SAG, \$2M IMET in 2003; \$198M Foreign Military Funding, \$250M Economic Support Funds, \$225M total aid in 2002, \$448M total aid in 2003.
Kazakhstan	Significant role because of petroleum reserves, U.S. partner in development of petroleum and natural gas resources, cooperated with the U.S. on national security concerns.	Promise of further enhancing the economic, political, and national security cooperation b/w Kazakhstan and U.S..
Kenya	Extradited all suspects to the US IRT 1998 US Embassy bombing in Nairobi, exerting greater controls over foreign exchange in Kenya.	Unknown
Kyrgyzstan	Basing and buildup of coalition aircraft at Manas Airfield as logistical hub for operations, aerial refueling, and fighter aircraft	Unknown
Kuwait	2 reps at CENTCOM; basing and overflight permission for U.S. and coalition forces.	Unknown
Malaysia	Arrested terrorists linked to Moussaoui (accused 11 Sep attack conspirator), stated a commitment to hunt down all militants and extremists until they are no longer a threat to national security.	Unknown
Malta	Unknown	\$2.2M SAG, \$.75M IMET/2 yrs, .
Mexico	Constructing legal framework to effectively suppress terrorism, completing constitutional procedures to become a party to the International Convention for the Suppression of the Financing of Terrorism.	Unknown
Moldova	Expression of unity with U.S. and support for international coalition to fight terror.	Unknown
Morocco	Unknown	Free Trade Agreement
Netherlands	7 personnel to CENTCOM, KDC-10 for strategic airlift; C-130 for HA; F-16s to Manas; 2 naval frigates in CENTCOM AOR; P-3s and other ships to relieve U.S. units in SOUTHCOM AOR, 1 person to RAMCC, maritime SAR assistance, HA mission for Afghan children; \$8 million annually for Afghan HA, pledge of additional \$100 million for HA/reconstruction, plus separate contribution to the \$329 million HA provided by EU; contributing 220 troops to ISAF (GDAD battalion).	Unknown
New Zealand	6 persons to CENTCOM, Logs and HA airlift support with C-130s; 7-person air-loading team ISO ISAF; 8 officers to ISAF HQs; SOF.	Unknown
Nigeria	Lip service supporting war against terror	Unknown
Norway	6 personnel to CENTCOM; mine clearing vehicles and personnel to Qandahar; SOF with C-130 tactical airlift and 15 hardened vehicles;	Unknown

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Country	What they are giving	What they are receiving
	fighter aircraft to Manas; HA mission for Afghan children	
Oman	Unknown	\$20M military assistance
Pakistan	5 persons at CENTCOM; intelligence, basing and over-flight rights and logistic support; intervention to stop fleeing Taliban and al-Qa'ida fighters trying to reach safety; deployed troops along Afghan border ISO OEF; liaison b/w U.S. and Taliban leaders.	Export control sanctions waived (imposed after 1998 nuclear testing), License Exceptions allowed, sale of items not on Commerce Control List allowed, items on CCL considered on case-by-case basis. \$1 Billion aid package, includes economic help, helicopter and armored personnel carrier parts, ammunition, \$73M in F-16 parts and 6 Apache helicopters; \$40M refugee assistance and \$550M debt rescheduled from Japan.
Palestinian Liberation Organization	Unknown	Presidential waiver of sec 1003 of Anti-terrorism Act of 1997 (Oct 01 and Apr 02 for 6 months ea.)
Peru	Rallying against terrorism in southern hemisphere.	Return of Peace Corps, discussing bilateral investment treaty, Andean Teacher Training Center, E-business fellowship program, Debt-for-Nature agreement, renewal of Andean Trade Preference Act; Andean Counterdrug Initiative (\$135M of \$731M to Peru)
Philippines	Use of military installations on Philippine soil by coalition forces for transit, refueling of U.S. aircraft and ships, resupply, and staging operations. Forging a regional anti-terrorism grouping with Malaysia, Indonesia and Thailand. Invited U.S. forces to assist with Abu Sayaff terrorist threat.	125 U.S. military trainers/ and equipment. Military equipment (cargo planes, helicopters, trucks) used for training reportedly to be left for Philippine use after training completed. Defense equipment sale (C-130B, 5 UH-1H helos, 350 grenade launchers, 25 mortars, sniper rifles, night vision goggles, and

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Country	What they are giving	What they are receiving
		10-fold increase in U.S. military aid, \$41.1M SAG, \$3.7M IMET/2 yrs, \$1B in trade benefits.
Poland	5 persons to CENTCOM, mine clearing engineers and logistics platoon to Bagram; 20 soldiers to Kuwait ISO MIO ops in CENTCOM AOR.	Grant of 1 FFG, \$15M SAG, \$1.9M IMET in 02, \$17.5M SAG, \$2.16M IMET in 03.
Portugal	2 personnel at CENTCOM; 8 person medical team; C-130 and crew.	Unknown
Qatar	3 personnel at CENTCOM, fighter units on continuous strip alert to provide CAP for national and coalition forces in Qatar, overflight and basing clearance for US and coalition forces.	Unknown
Republic of Korea	5 personnel at CENTCOM, naval vessel transport of >1000 tons construction material for OEF, \$45 million pledged to help rebuild Afghanistan, deployed Level II Hospital to Manas, C-130 transport of humanitarian relief supplies.	Possible \$2.8 billion military offset package if ROK purchases 40 F-15s (means 30K ROK jobs)
Romania	3 persons to CENTCOM, basing and overflight permission for U.S. and coalition; infantry battalion, infantry mountain company, mine clearing equipment, 4 MIG 21s, medical personnel and engineers ISO OEF; MPs and C-130 for ISAF; training equipment for Afghan National Guard.	\$11.5M SAG, \$1.4M IMET in 2002, \$13.4M SAG, \$1.6M IMET in 2003.
Russia	Personnel at CENTCOM, SAR ops; built pontoon bridge across Pianj river, reconstructing transport tunnel; HA ops support (food, medicine, beds, heaters, power stations, tents, blankets, bedding, kitchen utensils, detergent); coalition hospital in Kabul (returned to local control 25 Jan 02); signed 12 UN conventions, supports convention against terrorism.	Mutual Legal Assistance Treaty
Saudi Arabia	Pledged full cooperation to fight terrorism, froze assets that belong to suspected terrorists, publicly condemned the 911 terrorist attacks; pledged >\$12M to Afghanistan.	Unknown
Singapore	Outlawed UBL and his network, adopted new legislation giving Minister for Law to power to implement the provision of UNSCR 1373 (which criminalizes the financing of terrorism).	Unknown
Slovakia	Unknown	\$18.4M SAG/2 years, \$.85M IMET
Slovenia	Unknown	\$9.75M SAG/2 years, \$.8M IMET
Spain	9 reps at CENTCOM, 4 aircraft, 3 ships deployed ISO OEF and ISAF,; hospital in Bagram; HA mission for Afghan children, terrorists arrested in Spain; maritime patrol aircraft and SAR helos; U.S. bases in Spain.	Unknown
Sweden	2 reps to CENTCOM; 45-person intel unit to UK HQ for ISAF, logistics HA support (20 persons); \$100 million HA/reconstruction pledged 02-04	Unknown
Taiwan		Sale of 4 DDGs
Tajikistan	Allowing landing and basing of coalition air forces (France, Belgium)	Eligibility to receive defense articles and services (FAA/AECA)
Turkey	3 personnel at CENTCOM, basing and over-flight rights for U.S. and coalition forces; planning officer to RAMCC; transport aircraft, KC-135 aerial refueling support for US aircraft transiting to CENTCOM AOR,	Deepening economic relations b/w U.S. and Turkey; \$2.5M SAG in

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Country	What they are giving	What they are receiving
	working to freeze assets of terrorist organizations; ISAF forces (Afghan police force training); lead nation for ISAF Phase II; medical care.	2002, \$2.9M in 2003, sale of 2 FFGs, grant of 6 FFs.
Turkmenistan	Allowed US transport aircraft and intelligence gear to land for use in the anti-Taliban campaign.	Unknown
United Arab Emirates	3 personnel at CENTCOM, basing and over-flight permission for US and coalition forces, C-130s ISO HA ops.	F-16s sale pending to UAE and Oman
United Kingdom	Personnel at CENTCOM (38) and all U.S. component commands, D/Cdr for coalition naval forces in AOR, 3,600 air/naval/ground forces ISO OEF, VERITAS, and ISAF; mine clearing ops; naval task force, TLAM platforms, strike aircraft, use of D. Garcia base, Amphibious TG for VERITAS (LPH with helicopters, 1 destroyer, 2 frigates, sub with Tomahawk missiles, 6 Royal Fleet Auxiliary ships, 1 survey ship), MIO ops, intelligence, 6 reconnaissance and refueling aircraft, undisclosed number of C-130 aircraft to support ISAF, lead nation for Operation FINGAL (ISAF), enormous terrorist investigative support, arrested suspected terrorists in UK, froze assets of over 200 individuals and over 100 organizations, working to institute further anti-terrorist controls; contributed 60 million pounds to Afghanistan for HA since 911 (up from average annual HA of 32 million pounds) with a further pledge of 200 million pounds over the next 5 years.	Unknown
Uzbekistan	5 personnel at CENTCOM, leased transport aircraft to coalition members to relieve strategic airlift requirements (moving forces and equipment into AOR) US Green Berets stationed there; basing and overflight rights to U.S. and coalition forces; signed agreement with U.S. in October 2002 establishing a strong basis for bilateral cooperation.	Training and non-lethal equipment for Uzbek military by US forces (denied by US), increased US weapons sales and IMET funds.
Yemen	Agreed to freeze al-Qaeda assets, allowed FBI to interview witnesses and suspects in 200 USS COLE bombing.	\$12M economic and military aid, possible \$400 million aid package (w/SOF training, help in getting IMF and World Bank loans, and US Security Assistance.

ⁱ Compiled from State Department Documents, Congressional Resolutions and Presidential Declarations.